



**STATEMENT BY
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**AT THE FOURTH MEETING OF THE PROJECT STEERING
COMMITTEE FOR THE 11 EDF SMALL-SCALE CROSS-BORDER
TRADE INITIATIVE**

ON MONDAY, 18 SEPTEMBER 2023

LUSAKA, ZAMBIA

Guest of Honour, Ministry of Commerce, Trade and Industry Zambia

Distinguished Delegates from Member States;

Mr Cladio Bacigalupi, European Union Delegation to Zambia and COMESA;

Representatives of IOM and ITC, our Co-Delegates;

Representatives of other Cooperating Partners;

Representatives of COMESA Institutions;

Representatives of Small-Scale Cross Border Traders' Associations;

Colleagues from the COMESA Secretariat;

Members of the Media;

Ladies and Gentlemen,

It is with great pleasure that I make these opening remarks at this Fourth meeting of the Project Steering Committee for the COMESA Cross Border Trade Initiative - Facilitating small scale trade across borders funded by the European Union under the 11th European Development Fund (EDF).

Allow me to begin by welcoming all the delegates to this important meeting. The Steering Committee serves as an important role in providing overall policy and strategic guidance to all stakeholders who are part of the implementation team of the activities under the programme.

Ladies and Gentlemen,

Small-Scale Cross-Border Trade (SSCBT) plays an importance role in the economies of the COMESA region and is motivated by several factors. They include, the existence of marked price differences due to variations in production capacities, trade barriers, and regulatory compliance costs, combined with the absence of geographical or social separators. These motivate many individuals to trade small consignments across the borders.

Normally these shipments are not captured by Customs, nor recorded in official trade statistics, and, hence, are generally not taken into consideration by policymakers.

Better information on SSCBT would notably inform policies for poverty reduction and inclusive growth. Such data would provide valuable evidence to assess regional food security and raise policymakers' awareness of the situation of women in border regions, who often represent the majority of small-scale traders.

That is why the SSCBTI has focused on these important aspects, to increase the formalizing of small-scale cross-border trade flows in the COMESA/tripartite region. Ultimately, this will lead to higher revenue collection for governments at the borders, increased security and higher incomes for small-scale cross-border traders.

Specifically, the Cross-Border Trade Initiative has been focusing on:

1. Design and effective implementation of trade facilitation policies and instruments such as the Simplified Trade Regime and the Green Pass;

2. Putting in place tools and system for reduction in corruption, bribery and harassment at the selected border posts;
3. Supporting the Cross-Border Traders Associations by providing them with the necessary skills to support traders;
4. Collection of gender disaggregated data on small scale cross border trade; and
5. Construction of gender sensitive infrastructure at selected border posts in targeted countries so that the traders can have a more conducive environment in which to trade their goods.

There are some lessons that have been learned from the implementation of the SSCBTI for the past five years. So far, measurement done on the progress of the programme indicators shows that the values and volumes of the multitude of small scale trade transactions add up to sizable aggregate import or export amounts.

In the year 2021 for instance, Zambia's SSCBT exports to the Democratic Republic of Congo at the Kasumbalesa border accounted for 44% of her total exports to that country. Reports also

show that on average, about 150 small scale cross border traders are now able to access the simplified trade regime on a monthly basis at the borders of Chirundu, on both sides of Zambia and Zimbabwe, and Mwami and Mchinji, on Zambia/Malawi border. This is facilitating trade more efficiently. In brief, the programme has made achievements in several areas including processing the completed studies through the Policy Organs meetings, training traders and officials on trade facilitation instruments; working with Cross Border Trade Associations (CBTAs) including hosting the regional CBTA forum; collecting Small Scale Cross Border Trade data and signing sub-delegation agreements for the construction of border markets as well as awarding works contracts for the construction border markets at certain sites.

The Trade Information Desk Officers (TIDOs) deployed at the targeted borders have also done important hands-on work of providing information to traders and researchers and assisting them to properly fill the forms needed to clear with border officials.

As the programme draws to an end in December 2024, it is vital that Member States consider the sustainability options of the Trade Information Desk Offices that were proffered in the study that was done. This is to ensure continuity in the provision of these essential services.

To the European Union represented at this meeting, we want to thank you for the funds that you have provided for these interventions, through the EDF 11. They have gone a long way in creating a good environment for the small-scale cross border traders to conduct their trading activities.

However, while the duration of the EDF 11 was appropriate for the activities to be undertaken, there is still more required to be done to realize the full potential. In addition, challenges which constrain traders from taking full advantage of the opportunities remain particularly on funding, business skills and literacy.

That notwithstanding, the overall environment for conducting business has been improved for the small-scale cross border traders and for this, we are most grateful.

Taking advantage of the partnerships and collaboration that have been formed during the implementation of the SSCBTI, with organisations such as International Organization for Migration (IOM), the International Trade Centre (ITC) and CBTAs, it is my hope that we will continue working together to address these challenges.

In conclusion, I take note that these issues align to the European Union Neighborhood, Development and International Cooperation Instrument priorities for Sub Sahara, the agenda 2063 goal and COMESA strategy. And this clearly shows the importance of the SSCBTI for regional integration and trade policy formulation.

With those remarks, I wish you all a productive engagement and successful deliberations.

I thank you.